

Message Text

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PAGE 01 OTTAWA 01667 210040Z

71

ACTION EUR-25

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-15

AID-20 CEQ-02 COA-02 COME-00 EB-11 EPA-04 IO-13

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FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 0000

UNCLAS OTTAWA 1667

E.O. 11652: N/A

TAGS: ENRG, CA, US

SUBJECT: EDITORIAL COMMENT ON OIL PIPELINE

1. FOLLOWING IS TEXT OF EDITORIAL TITLED "OIL AND
AMBIGUITY DON'T MIX" APPEARING IN TORONTO GLOBE AND
MAIL OF JULY 20:

BEGIN TEXT

IF THE UNITED STATES SENATE WAS IN DOUBT ABOUT
CANADA'S ATTITUDE TO A MACKENZIE VALLEY OIL PIPELINE
WHEN IT VOTED FOR THE TRANS-ALASKA PIPELINE SYSTEM,
THEN IT WAS NOBODY'S FAULT BUT THE CANADIAN
GOVERNMENT'S.

THE PHYSICAL MEANS OF COMMUNICATING A LAST-
MINUTE CANADIAN DECISION--IF IT WAS A DECISION--WERE
MOST PECULIAR IN VIEW OF THE IMPORTANCE OF THE MATTER.
EXTERNAL AFFAIRS MINISTER MITCHELL SHARP HAS BEEN
DIFFIDENT ABOUT TALKING DATES. BUT IT APPEARS THAT THE
U.S. STATE DEPARTMENT, THROUGH THE U.S. EMBASSY IN
OTTAWA, ASKED FOR ANSWERS TO A NUMBER OF QUESTIONS ABOUT
THE CANADIAN ATTITUDE TO A MACKENZIE VALLEY OIL
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PAGE 02 OTTAWA 01667 210040Z

PIPELINE AS AN ALTERNATIVE TO A PIPELINE CROSSING

ALASKA AND DELIVERING OIL TO THE SOUTHERN UNITED STATES
BY TANKERS THAT WOULD ENDANGER THE CANADIAN COAST.

CANADA SENT THE ANSWERS BACK, VIA THE U.S. EMBASSY,
ON JUNE 27. EARLY IN JULY--JULY 6 IS A DATE TOSSED
AROUND--CANADA DECIDED ONE CRUCIAL ANSWER WAS
AMBIGUOUS. THIS DEALT WITH CANADA'S CONTROL OF A
PIPELINE TRANSPORTING OIL FROM U.S. ALASKA TO THE U.S.
SOUTH AND USING CANADA ONLY AS A BRIDGE. OTTAWA SENT
ALONG A SUPPLEMENTARY MESSAGE TO THE UNITED STATES
SAYING THAT IN SUCH A CASE "IT WOULD NOT BE ITS POLICY
TO REQUIRE MAJORITY CANADIAN OWNERSHIP." THE MESSAGE
WAS TELEPHONED, AND THEN CANADA APPARENTLY SAT ON ITS
HANDS BEFORE GETTING OFF A CONFIRMING MESSAGE IN
WRITING.

THE MESSAGE ARRIVED TOO LATE TO AFFECT THE SENATE
VOTE WHICH OPENED THE WAY FOR TAPS.

THIS WAS AN INCREDIBLE WAS OF HANDLING A VITALLY
IMPORTANT PIECE OF POLICY--HITCHING IT BELATEDLY TO
ANOTHER POLICY STATEMENT THAT APPARED TO CONTRADICT
IT ENTIRELY. BUT WHAT IS EVEN WORSE IS THAT IT MUST
BE DOUBTED THAT IT WAS POLICY AT ALL OR JUST--AS SOME
U.S. SENATORS HAVE SUGGESTED--A CANADIAN TECHNIQUE TO
DELAY TAPS.

MR. SHARP AND A NUMBER OF FEDERAL ENERGY OFFICIALS
HAVE ADMITTED THAT JULY 6--WHEN THE U.S. QUESTIONS AND
CANADIAN ANSWERS (SECOND VERSION, NOT FIRST) WERE
RELEASED IN OTTAWA--WAS THE FIRST TIME CANADA HAD
EXPLICITLY AND PUBLICLY STATED THAT IT WOULD NOT
REQUIRE MAJORITY CANADIAN OWNERSHIP FOR A PIPELINE
CROSSING CANADIAN TERRITORY.

DID THE GOVERNMENT BY ANY CHANCE THINK IT WOULD
MAKE SUCH A POLICY STICK WITHOUT PROLONGED DEBATE IN
THE HOUSE OF COMMONS AND ACROSS THE COUNTRY?

ENERGY PROBLEMS ARE NOT A NEW DISCOVERY. TAPS
IS NOT A NEW PROPOSITION. IT HAS BEEN HANGING AROUND
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PAGE 03 OTTAWA 01667 210040Z

FOR YEARS, AND THE FIRST CANADIAN PROTEST AGAINST IT
WAS INITIATED BY A LIBERAL FROM BRITISH COLUMBIA
(LATER DISCIPLINED BY HIS PARTY) AND NOT SUPPORTED
UNTIL MUCH LATER BY THE GOVERNMENT. A MACKENZIE
VALLEY PIPELINE PROPOSAL IS NOT NEW. IT HAS BEEN
WITH US FOR YEARS, WHILE RESEARCH INTO ITS FEASIBILITY
CONTINUED AND WHILE THE GOVERNMENT ASSERTED THAT
CANADIANS MUST HAVE AT LEAST THE OPPORTUNITY TO BUY

51 PER CENT CONTROL.

CANDIANS KNOW THEY DON'T LIKE TAPS. IT COULD SPILL OIL ALL DOWN THE WESTERN CANDIAN COAST AND PARTICULARLY IN THE NARROW WATERS BETWEEN VANCOUVER ISLAND AND THE MAINLAND. BUT HOW SURE ARE WE THAT WE WANT A MACKENZIE VALLEY PIPELINE EITHER? HOW SURE ARE WE, IN PARTICULAR, THAT WE WOULD LIKE A PIPELINE WHICH SIMPLY USED CANADA AS A BRIDGE BETWEEN TWO PIECES OF U.S. TERRITORY, CONTROLLED, PERHAPS WITH ITS CONTIGUOUS TERRITORY, BY THE UNITED STATES?

THE GOVERNMENT HAD CERTAINLY NO RIGHT TO CONCEDE SUCH A POTENTIALLY IMPORTANT POLICY POINT IN A FOOTNOTE TO A POLICY STATEMENT SHIPPED OFF HASTILY TO THE UNITED STATES BEFORE IT HAD BEEN DEBATED BY THE COMMONS OR CANADA.

PERHAPS IT WAS DELIBERATELY SENT IN AN AMBIGUOUS FORM AND LATE BECAUSE THE CANADIAN GOVERNMENT DID NOT REALLY WISH TO INFLUENCE THE U.S. SENATE TO VOTE AGAINST TAPS: THE GOVERNMENT WAS CERTAINLY BELATED IN ITS ATTACK ON TAPS. MORE LIKELY IT WAS A FACTUAL EXPRESSION OF CANADIAN ENERGY POLICY: NAMELY THAT THERE IS NO ENERGY POLICY WHICH THE GOVERNMENT IS PREPARED TO SUBMIT TO ANYBODY AT PRESENT.

ENERGY MINISTER DONAL MACDONALD HAS PRODUCED A FACTS PAPER ON ENERGY WHICH HE HAS BEEN CARE TO SAY IS NOT POLICY. HE WANTS IT TO STIMULATE DISCUSSION IN PROVINCIAL CAPITALS, AMONG THE PUBLIC, IN PARLIAMENT; AND SOMETIME AFTER THAT (AND PROBABLY AFTER THE NEXT ELECTION) THERE MAY BE POLICY.

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PAGE 04 OTTAWA 01667 210040Z

THE PROCESS OF DISCUSSION HAS ACTUALLY BEEN YEARS LONG ALREADY, AND--IN THE TRADITIONAL CANADIAN FASHION--IT COULD TAKE MORE YEARS. WHICH IS ALL VERY WELL; CERTAINLY THERE SHOULD BE DEBATE, VERY FULL DEBATE, CONCENTRATED IN THE HOUSE OF COMMONS. POLICY CANNOT BE WRITTEN IN GOVERNMENT FOOTNOTES IN AN AREA OF SUCH OVERWHELMING IMPORTANCE; IT MUST BE SHAPED BY THE REPRESENTATIVES OF ALL CANADA.

BUT THE U.S. SENATE DID NOT WAIT FOR CANADA'S LEISURELY DECISIONS. TAPS WILL NOT WAIT.

HOW MUCH LONGER WILL CANADA REACT TO OTHERS' ENERGY POLICY, INSTEAD OF ACTING ON ITS OWN?

END OF TEXT
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